

*Postponed indefinitely 11/22/05*

Submitted by: Dan Sullivan  
November 22, 2005

## ASSEMBLY RESOLUTION

AR 2005-306

A Resolution of the Anchorage Assembly requiring budget cuts in the 2006 General Government Operation Budget in the amount of \$6,400,000.

**Whereas**, the General Government Operating Budget increased by approximately 75 million dollars in the ten year period from 1994 to 2003, and

**Whereas**, the annual average increase in the budget over that period was approximately 7.5 million dollars, and

**Whereas**, the 2004 and 2005 revised budgets and the proposed 2006 budget represent an increase in the General Government Operating Budget of over 72 million dollars, and

**Whereas**, this represents an annual average increase over the three year period of approximately 24 million dollars, which is over three times the budget growth rate of the previous decade, and

**Whereas**, it is recognized that there are some cost increases that are beyond the direct control of local government, including increased fuel cost, health care costs, etc., and

**Whereas**, the growth of the budget is partly due to the fact that the cost per municipal employee was increased significantly in 2004 with contract extensions to the various represented and non-represented employee groups, and

**Whereas**, the proposed revenue calculation in the General Government Operating Budget includes approximately 6.4 million dollars in anticipated MUSA revenue that is dependent on the successful resolution of pending court action, and

**Whereas**, a budget amendment was introduced to reduce the operating budget by the amount represented by the disputed MUSA contribution, and

**Whereas**, the Municipality of Anchorage should establish budgets based on stable and established revenue sources whenever possible,

**Whereas**, the Municipality of Anchorage should endeavor to find cost savings wherever possible to prevent the unnecessary increase of local property taxes, and

Now therefore, the Anchorage Assembly resolves that:

**Section 1.** The Administration shall present to the Anchorage Assembly a revised 2006 ~~1~~ 2007 General Government Operating Budget that shows a reduction of 6.4 million dollars, and that such reductions may include but are not limited to decreases in the costs of personnel, travel, overtime, vacancy factor, equipment and other costs.

**Section 2.** The proposed revisions in Section 1 shall not include any decrease in the police and fire department's budget, or in the Assembly department budget, which has already submitted budget reductions in the amount of \$133,000.00

**Section 3.** The General Government Operating Budget reductions shall be presented to the Assembly for review by Friday, December 2, 2005.

Passed and approved by the Anchorage Assembly this \_\_\_\_\_ day of November, 2005.

Submitted by: Dan Sullivan  
November 22, 2005

**ASSEMBLY MEMORANDUM**

No. AM 858-2005

The attached resolution is presented to the Anchorage Assembly for its consideration during our budget deliberations. It is designed to help the Assembly give guidance to the Administration and to express our intent to approve a budget that reduces the tremendous growth in the cost of local government and the corresponding growth of local property taxes.

This year, for the first time, the Assembly is dealing with not only a two year budget process, but also with a budget that is presented with general revenue and expense numbers as compared to the more detailed service level descriptions used in the past.

Because of the budget format, I have only presented a total number for my proposed reductions and I will leave it to the judgment of the Administration to provide those specific areas where reduction will be made, subject to the guidelines of Sections 1 and 2 of the attached resolution.

I urge the Assembly to approve the resolution and help send a clear message to our constituents that we are working on their behalf to keep government spending under control.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Dan Sullivan".

Dan Sullivan  
Anchorage Assembly